



PUBLIC NOTICE

Federal Communications Commission
45 L St., N.E.
Washington, D.C. 20554

News Media Information 202 / 418-0500
Internet: <http://www.fcc.gov>

DA 23-1094
Released: November 17, 2023

DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF ROYAL TELEPHONE COMPANY TO MUTUAL TELEPHONE COMPANY OF SIOUX CENTER, IOWA D/B/A PREMIER COMMUNICATIONS

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 23-364

Comments Due: December 1, 2023
Reply Comment Due: December 8, 2023

By this Public Notice, the Wireline Competition Bureau seeks comment from interested parties on an application filed by Royal Telephone Company (Royal) and Mutual Telephone Company of Sioux Center, Iowa d/b/a Premier Communications (Mutual) (collectively, Applicants), pursuant to section 214(a) of the Communications Act of 1934, as amended, and sections 63.03-04 of the Commission's rules,¹ requesting approval for the transfer of control of Royal to Mutual through a merger transaction by which Noble Acquisition, Inc. (Merger Sub) will be merged with and into Royal, with Royal surviving that merger. Royal and Mutual hold blanket domestic 214 authorizations.²

Royal, an Iowa corporation, is a rural incumbent local exchange carrier (LEC) that provides local and long-distance telecommunications, high-speed Internet access, and access services to roughly 300 residential and business customers in the Royal, Iowa exchange. Royal, an eligible telecommunications carrier (ETC) in Iowa, currently receives Connect America Fund (CAF) Broadband Loop support and high-cost loop support.³ Royal has elected to receive Enhanced Alternative Connect America Cost Model (A-CAM) support beginning January 1, 2024.⁴ There are no persons with a 10% or greater ownership in Royal.⁵

¹ See 47 U.S.C. § 214(a); 47 CFR §§ 63.03-04.

² Application for the Transfer of Control of Royal Telephone Company to Mutual Telephone Company of Sioux Center, Iowa d/b/a Premier Communications, WC Docket No. 23-364 (filed Nov. 6, 2023) (Application). Applicants also filed an application for the transfer of authorizations associated with international services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

³ Application at 10, 12, Exh. B. Royal participates in the Lifeline program and Affordable Connectivity Program and will continue to do so post-consummation of the transaction. *Id.* at 11.

⁴ Application at 10, 12, Exh. B. After January 1, 2024, Royal will no longer receive CAF BLS and HCL support. *Id.* at 12.

Mutual, an Iowa corporation, is a rural incumbent LEC that currently provides local exchange telecommunications service, access service, Internet, and advanced communications services to approximately 3,500 customers in the Sioux Center, Iowa exchange. Mutual wholly owns several incumbent LEC and competitive LEC affiliate providers of local exchange service in the state of Iowa.⁶ Mutual and Hospers receive A-CAM II support.⁷ Premier and Heartland receive Rural Digital Opportunity Fund Phase I Auction (Auction 904) support.⁸ Heartland also receives CAF II (Auction 903) support.⁹ There are no persons with a 10% or greater ownership in Mutual.¹⁰ No board member or officer holds a 10% or greater direct or indirect interest in any other domestic telecommunications provider.¹¹

Pursuant to the terms of an Agreement and Plan of Merger, Mutual will acquire all or substantially all telecommunications operations and assets, property, rights, and interest (including all customer contracts and customer relationships) from Royal to provide Internet, telephone, video, and other communications services to customers in and around the Royal, Iowa area. The Applicants state, upon completion of the proposed transaction, such services will be provided by Royal as a wholly-owned subsidiary of Mutual. Royal and Mutual will continue to hold domestic section 214 authority in their respective serving areas.¹² Applicants assert that the proposed transaction will promote the public interest by enabling roughly 300 Internet access customers in the area to benefit from Mutual's resources. Applicants further assert that Royal's relinquishment of the assets to Mutual will be seamless for consumers for the services offered as Mutual will continue to provide and enhance the telecommunications and high-speed Internet access currently offered. Applicants also state the transfer is not expected to result in any discontinuance or impairment of the Internet access services provided to these customers. Finally, Applicants assert that the proposed transaction will also have limited adverse effects on competition in the area because there is no overlap between the Applicants' service areas or fiber facilities.¹³

Applicants request streamlined treatment of the proposed transaction under the Commission's rules and assert that a grant of the application would serve the public interest, convenience, and

⁵ *Id.* at 4.

⁶ Northern Iowa Telephone Company (incumbent LEC) serves the Iowa exchanges of Hinton, Matlock, Maurice, Sanborn, Little Rock, and Granville; Premier Communications, Inc. (Premier) (competitive LEC) serves the Iowa exchanges of Akron, Ashton, Boyden, Doon, Hull, Ireton, Rock Valley, Rock Rapids, LeMars, Ocheyedon, Orange City, George, Merrill, Arnolds Park, Lake Park, Milford, Sheldon, and Spirit Lake; Webb-Dickens Telephone Corporation (incumbent LEC) serves the Iowa exchanges of Dickens and Webb; and Heartland Telecommunications Company of Iowa (Heartland) (incumbent LEC) serves the Iowa exchanges of Akron, Boyden, Doon, Hawarden, Hull, Ireton, Rock Rapids, Rock Valley, and Sibley local exchange areas in the State of Iowa, the North Rock Rapids exchange area in the State of Minnesota and the West Akron and West Hawarden local exchange areas in the State of South Dakota; and Hospers Telephone Exchange, Inc. (Hospers) (incumbent LEC) serves the Iowa exchange of Hospers. *Id.* at 7-8.

⁷ *Id.* at Exh. B.

⁸ *Id.*

⁹ *Id.*

¹⁰ *Id.* at 4.

¹¹ *Id.* at 5.

¹² *Id.* at 7.

¹³ *Id.* at 2, 8-9, 12, Exh. C.

necessity.¹⁴ Because the proposed transaction is more complex than those accepted for streamlined treatment, and in order to analyze whether the proposed transaction would serve the public interest, we accept the Application for non-streamlined processing.¹⁵

Domestic Section 214 Application Filed for the Transfer of Control of
Royal Telephone Company to Mutual Telephone Company of
Sioux Center, Iowa d/b/a Premier Communications
WC Docket No. 23-364 (filed Oct. 24, 2023).

GENERAL INFORMATION

The application identified herein has been found, upon initial review, to be acceptable for filing. The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies.

Interested parties may file comments **on or before December 1, 2023**, and reply comments **on or before December 8, 2023**. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by paper.

- Electronic Filers: Comments may be filed electronically by accessing ECFS at <http://apps.fcc.gov/ecfs/>.
- *Paper Filers*: Parties who choose to file by paper must file an original and one copy of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.
 - Filings can be sent by commercial overnight courier or by first-class or overnight U.S. Postal Service mail.¹⁶ All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.
 - Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701. U.S. Postal Service first-class, Express, and Priority mail must be addressed to 45 L Street, NE, Washington, DC 20554.

People with Disabilities: We ask that requests for accommodations be made as soon as possible in order to allow the agency to satisfy such requests whenever possible. Send an email to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at (202) 418-0530.

In addition, e-mail one copy of each pleading to each of the following:

- 1) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, tracey.wilson@fcc.gov;
- 2) Megan (Capasso) Danner, Competition Policy Division, Wireline Competition Bureau, megan.danner@fcc.gov;

¹⁴ *Id.* at 8.

¹⁵ 47 CFR § 63.03(c)(1)(v).

¹⁶ Effective March 19, 2020, and until further notice, the Commission no longer accepts any hand or messenger delivered filings. This is a temporary measure taken to help protect the health and safety of individuals, and to mitigate the transmission of COVID-19. *See FCC Announces Closure of FCC Headquarters Open Window and Change in Hand-Delivery Policy*, Public Notice, 35 FCC Rcd 2788 (OS 2020).

- 3) David Krech, Office of International Affairs, david.krech@fcc.gov; and
- 4) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

The proceeding in this Notice shall be treated as a “permit-but-disclose” proceeding in accordance with the Commission’s *ex parte* rules. Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter’s written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b), 47 CFR § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission’s *ex parte* rules.

To allow the Commission to consider fully all substantive issues regarding the application in as timely and efficient a manner as possible, petitioners and commenters should raise all issues in their initial filings. New issues may not be raised in responses or replies.¹⁷ A party or interested person seeking to raise a new issue after the pleading cycle has closed must show good cause why it was not possible for it to have raised the issue previously. Submissions after the pleading cycle has closed that seek to raise new issues based on new facts or newly discovered facts should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

For further information, please contact Megan (Capasso) Danner at megan.danner@fcc.gov.

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¹⁷ See 47 CFR § 1.45(c).